CONFIDENTIAL 25X1A CLASSIFICATION Approved For Release 2001/03/05 CIA-RDP82-00457R003000340003

CENTRAL INTELLIGENCE AGENCY REPORT NO. INFORMATION REPORT CD NO. COUNTRY Austria/USSR DATE DISTR. SUBJECT Juschwneschtrans Transport-und Speditionskontor NO. OF PAGES Shipments during June 1949 25X1C PLACE NO. OF ENCLS. ACQUIRED 25X1A DATE OF INFO. SUPPLEMENT TO 25X1X REPORT NO. the Soviet Government, through USIA, pays Juschwneschtrans a flat rate for each ton shipped by rail to the USSR. This method of payment deprives Juschwneschtrans of the profit derived from routine transactions with satellite countries and private firms, wherein Juschwneschtrans charges interest on all payments advanced for freight cars and customs fees, as well as per diem charges for its freight handlers. As a result, although non-Soviet shipments constitute only about 25 percent of the total volume of Juschwneschtrans' business, over 50 percent of Juschwneschtrans profit is obtained from non-Soviet shipping transactions. A percentage of Juschwneschtrans' profits are obtained from export and import shipments made by the satellite countries which Juschwneschtrans handles without Austrian licenses. However, Juschwineschtrans garage is now operating at a loss, and that although Juschwineschtrans Juschwnesch-25X1X has reduced its charges for shipment by truck, private customers are reluctant to do business with Juschwneschtrans because at any time USIA may demand that all Juschwneschtrans trucks be used for priority shipments to the Soviet Union.* 25X1A 2. Juschwneschtrans' plans to operate a trucking service to firms in Eastern Germany have never developed because this method of shipment is expensive and the East German authorities have been reluctant to grant entry permits to Juschwneschtrans. At present Juschwneschtrans! Decument Ne. NO CHANGE in Class. [] DECLASSIFIED CONFIDENTIAT, Class. CHANGED TO: CLASSIFICATION STORE (A PROPERTIES AND ASSISTED FOR A PROPERTY OF A PRO STATE ARMY

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on the Czechoslovak-German border, where Derutra, the Soviet transport firm in Eastern Germany, has large warehouses and Juschwneschtrans is required to submit all export and import licenses to the German authorities before Derutra is permitted to receive or deliver any shipments. In attempt to acquire new business, Juschwneschtrans recently approached representatives of British and American airlines in Vienna with an offer to transport air freight from Austria to the satellite countries. Source states that Juschwneschtrans' proposal was rejected because air freight handled by these airlines is shipped to Prague for forwarding to the satellite countries by Czechoslovak airlines.**

Juschweschtrans has been directed by Intrac G.m.b.H. to arrange to ship from 10,000 to 20,000 tons of calcined pyrites (Kiesabbrand) from the Donau Chemie plant in Liesing to Czechoslovakia before the end of 1949. This transaction is being handled by Intrac on behalf of the Chemical Industry Administration of USIA as part of a compensation agreement. The sale price of the pyrites is 15 schillings per ton. Originally, USIA planned to sell the chemicals to Germany, less than 1,000 tons were 25X1X actually shipped.** Later, USIA offered the pyrites to the Linz Iron and Steel Works, but the pyrites were not accepted because of the unusually high sulfur content. correspondence between Intrac G.m.b.H. and Juschwneschtrans indicates that Guenther HOCKE, liaison official of the Ministry of Trade dealing with USIA, may be arranging with Minister KOLB to obtain special reduced freight rates for these chemical shipments to Czechoslovakia.

4. Export Shipments Handled by Juschwneschtrans

a. Shipments to the USSR

By Rail via Mukachevo

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- 24 winches from Wiener Lokomotivfabrik A.G., Vienna XXI.
- 10 winches from Joseph Heiser, Kienberg bei Gaming, Lower Austria.****
- 10 kilometers of ground cable (Erdkabel) from Wiener Kabel- und Metallwerke A.G., Vienna XXI.
- 15 rolls of copper cable, each roll weighing 3 tons and having 7.5 kilometers of cable, from Ariadne Draht- und Kabelwerke, A.G., Vienna.
- 75 tons of steel cable, from St. Englyer Eisen- und Stahlwerke, St. Aegyd am Neuwalde. This order was placed by A/O Kabel, Electrical Administration of USIA.
- 60 tons of steel wheels, each weighing 85 kilograms, from Stahl- und Temperguss, Traisen, Lower Austria.
- 30 tons of cast iron fittings from Stahl- und Temperguss, Traisen,
 Lower Austria.
- 246 tons of rayon thread from Glanzstoff Fabrik, St. Poelten.
- 165 tons of glass from Erste Oesterreichische Maschinglasindustrie, Brunn am Gebirge.
- 160 tons of granite paving blocks from St. Georgen a/d Gusen.
- 10 winches, each weighing 3 tons from Wiener Lokomotivfabrik A.G., Vienna XXI.
- 30 tons of narrow-gauge steel wheels, each weighing 82 kilograms, from Stahl- und Temperguss, Traisen, Lower Austria.
- 28 tons or iron pipe from St. Aegyd Eisen- und Stahlwerke, St. Aegyd

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am Neuwalde.

18 carloads of granite paving blocks from St. Georgen a/d Gusen.

Via DDSG barge to Ismail

- 25 transformers, each weighing 800 kilograms, from AEG-Union, Vienna XXI.
- 20 electric motors, each weighing 800 kilograms, from AEG-Union, Vienna XXI.
- 45 electric motors with control panes, total net weight 17 tons, from Siemens-Schuckert, Siemensstrasse.
- 6 turbines, each weighing 4 tons, from J.M. Voith, St. Poelten.
- 6 commercial washing machines from Strakosch and Boner Fabrik G.m.b.H., Vienna-Vossandorf.
- 14 electric motors, each weighing 550 kilograms or a net weight of 8 tons, from AEG-Union, Vienna XXI. This shipment was insured for 190,000 schillings.
- 15 transformers, total net weight 12 tons, from AEG-Union, Vienna XXI.
- 20 electric motors, total net weight 8.5 tons, from AEG-Union, Vienna XXI.
- 14 transformers, total net weight 6.1 tons, from AEG-Union, Vienna XXI.
- 90 electric motors, which weighing 110 kilograms, from Siemens-Schuckert, Engerthstrasse.
- 3 tons of magnets from REG-UNION, Vienna XXI.
- 10 tons of magnets (Hebemagnete) from Siemens-Schuckert, Engerthstrasse.
- 5 turbines, each weighing 16.2 tons, from J.M. Voith, St. Poelten.
- 5 commercial ironers, each weighing 800 kilograms, from Strakosch and Boner Maschinen Fabrik G.m.b.H., Vienna-Voesendorf.
- 10 rolls of ground cable (Erdkabel), total weight 31.5 tons, from Ariadea Draht- und Kabelwerke A.G., Vienna.
- 61 tons of ground cable (Erdkabel), total length 20 kilometers, from Wiener Kabel- und Metallwerke A.G., Vienna XXI.
- 50 Diesel motors, total net weight 16 tons, from Kloeckner-Humbolt-Deutz, Vienna.******
- 13 tons of steel cable from St. Egyader Eisen- und Stahlwerke, St. Aegyd am Neuwalde.
- 12 tons of intake and exhaust valves from Boehler Gebr., Boehlerwerke, Lower Austria.
- 7.5 tons of fittings from Stahl- und Temperguss, Traise, Lower Austria.
- tons of plowshares from Stahl- und Temperguss, Traism, Lower Austria.
- 30 carloads of used structural steel from the USIA warehouse at Wiener Neudorf. This shipment was handled by SDGP rather than DDSG.
- 15 tons of school notebooks from Croellwitz-Obermuehl Farik, Neufelden.

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Via DDSG (continued)

- 3 tons of saws (Gattersägen) from Peter Ginzler Company, Ybbitzmarkt, Lower Austria.
- 12 tons of saws from Wuester & Co., Wieselburg &/d Erlauf.
- 26 tons of 3-sided steel files from St. Egodydr Eisen- und Stahlwerke,
- St. Aggrd an Neuwalde.

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 - 6 tons of rayon thread from Glanzstoff Fabrik, St. Poelten, shipped by barge perhaps only as far as Yugoslavia.
 - 15 tons of enamel paint from Herbig und Haarhaus, Voesendorf.
 - 16 tons of enamel paint from Reichhold, Fluegger u. Boecking, Vienna.
 - 46 tons of lacquer from Ebersberger Lack- und Farbenfabriken G.m.b.H., Neulengbach, Lower Austria.

b. Eastern Germany

All shipments listed were addressed to Eisenbahn Direktion, Dresden, marked attention Major VASILIEV, Chemnitz-Hilbersdorf.

- 10 carloads of dismantled wooden barracks from Moosbierbaum.
- 20 carloads of dismantled barracks from the USIA warehouse in Voesendorf.

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 65,000,200 Walterbiettightightbauftemfeenanseam. C. H. b. Wienvaenhaustsgersdarf.
 - 15 tons of steel cable from St. Egylger Elsen- und Stahlwerke, St. Aegyd am Neuwalde.
 - 45 tons of steel piping from the USIA warehouse at Enzesfeld.
 - 100 tons of steel rods, approximately 4 meters long and one inch in diameter, from USIA Lager Nord.
 - 140 tons of steel rods from USIA Lager Nord.
 - 80 tons of narrow-gauge tracking from the USIA warehouse at Blumau near Wiener-Neudorf.
 - 15 tons of steel pipe from Blumau.
 - 80 tons of boildr piping from Blumau.
 - 13 tons of cast iron pipe from Blumau.
 - 400 tons of dismantled barracks, including 10 new barracks from the Voesendorf area. One HAVLICEM appears to be the commercial agent handling the sale of this shipment.

c. Shipments to Hungary.

Source believes that during the month of June he was not in a position to observe many lumber, paper, and probably a large number of pit prop shipments to Hungary.

- 400 cubic meters of milled lumber from the USIA estate at Allentsteig to Masped, Budapest.
- 150 cubic meters of milled lumber from Lackenbach to Kelimpex, Budapest.
- 400 cubic meters of pit props from Lackenbach to the Dorog coal mining district. SHORET/CONTROL U.S. OFFICIALS ONLY

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- 180 fons of trimmed logs (Rundsageholz) from the USIA estates at Greinburg, Upper Austria, to Kelimpex, Budapest.
- 120 tons of newsprint from Croellwitz-Obermuehl Fabrik, Neufelden, to Kelimpex, Budapest.
- d. Shipments to Czechoslovakia

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- 200 tons of newsprint from Croellwitz-Obermuehl Fabrik, Neufelden, to Metrans, Horni Dvoriste.
- 400 cubic meters of milled lumber from the USIA estates at Allentsteigh to Metrans, Ceske Velenice, where this shipment will be re-
- 25X1X directed to Italy.

 Dischwineschtrans has been studying the problem of shipping lumber and other products to Italy via Hungary, and has found that it is less expensive to direct shipments to the Czechoslovak border, where the shipments are recouted as transit shipments through Austria to Italy.
- 28 tons of cast iron fittings from Stahl- und Temperguss, Traisen, to Metrans, Ceske Velenice.
- 15 tons of cast iron fittings from Stahl- und Temperguss, Traisen, to Metrans, Ceske Velenice, for further shipment to Holland.
- 15 tons of cast aluminum from the USIA warehouse in Wiener Neudorf to Metrans, Ceske Velenice.
- 100 tons of galvanized iron from Schmidhuette, Krems to Metrans, Horni Dyoriste, for further shipment to Belgium.

46,000000 pieces of cullery from Berndorfer Metallwarenfabriks. 6.

46,000000 epieces officiatively offic Barlicondorf Metalla in a february fabrica.

Austria to Metrans, Coske Velenice.

sh**30** to

Switzerland.

e. Shipments to Bulgaria

All shipments were directed to Despred, Sofia, but source does not believe that these shipments were part of the Austro-Bulgarian trade agreement.

- 114 tons of band iron from Boehler Gebr., Boehlerwerke.
- 33 tons of sheet iron from Schmidhuet . Krems.
- 15 tons of brass strips from Berndorfer Metallwarenfabrik A.G., Lower Austria.
- 112 tons of brass sheeting from Berndorfer Metallwarenfabrik A.G.
- 58 tons of fittings from Boehler Gebr., Boehlerwerke.
- 11 tons of miscellaneous tools from Boehler Gebr.

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5. Miscellaneous Import Shipments Handled by Juschwaeschtrans

- 46 tons of calcium carbide from Bitterfeld, Germany, to the Chemical Industry Administration of USIA.
- 20 carloads of sand from Hohenbocka, Germany to the Erste Oesterreichische Maschinglasindustrie, Brunn am Gebirge.
- 80 tons of barite from Italy to the SMV, Dobermannsdorf.
- 88.5 tons of drill pipe from the USSR to the SMV Central warehouse in Neusiedl a/d Zaya. This shipment of five carloads arrived in Vienna by rail 24 May 1949
- 2 rolls of cable, weighing 4 tons, from Czechoslovakia to the SMV warehouse in Lobau.
- 26 carloads of new seamless piping from the USSR to the SMV, Neusiedl. Source estimates that each car contained from 20 to 30 pipes, and that the pipes were approximately 8 meters long and 20 cm in diameter. The pipe ends were flanged. Source states the invoice clearly indicated that this shipment came directly from the Soviet Union.

6. Transit Shipments

* ***

At the beginning of June 1949, transit shipments of the fertilizer, machine parts, rayon and other products from Switzerland enroute to the Soviet Union averaged two carloads per day whereas at the end of the month Juschwneschtrans handled an average of one carload daily.

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Comment: In separated that most USIA firms turned over all shipments in an official Soviet order to longestablished transport companies or o Communist transport firms.

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trans is now trying to the last section which may eventually replace its business wit USIA.

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Comment:

tion coefflicts with a previous report from shipment of 2,000 tons of residual products from ahehopmees pyrites from Donau Chemie, Liesing, to

been mentioned in connection with shipments of winches to the Soviet

25X1X Union. The shipment of winches to the USIA-controlled, it is possible that Heiser accepted sub-contract from a USIA-controlled firm which has a contract for shipment of winches to the USSR.

Comment: Kloeckner-Humbolt-Deutz has a monthly production quota of 600 stationary Diesel motors, which are scheduled for shipment to he USSR. So far, the firm has not been able to meet this quota because of shortages of ball bearings and other materials.

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Comment: Transit shipments from Switzerland, during the previous raged four carloads per day or 100 carloads per month.

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